

Joint Legislative Audit and Review Commission

Annual Workplan

Salary Scale Adjustments

Quality Control Review



Auditor of Public Accounts

- **Annual Workplan**
- **Salary Scale Adjustments**
- **Quality Control Review**

Proposed 2004 Workplan

- **Annual workplan = work performed during most of fiscal year 2004**
- **Budget cuts require additional reduction in the proposed workplan**
- **CAFR, Statewide Single Audit, and mandatory audits are major focus**
- **Risk model used to evaluate the audit work needed for agencies, institutions, and special projects with remaining resources**

Workplan Reduction

FY2004 Workplan	144,440
Prior Year Workplan(FY 2003)	<u>167,073</u>
Reduction in Audit Hours	<u>(22,633)</u>
FY 2002 Workplan	176,723

Workplan Reduction

Savings from lower risk agencies	(6,082)
Savings from reducing audit scope	(8,059)
Savings from audit efficiencies	(13,204)
Resources for higher risk agencies	1,912
Resources for agencies on 3-yr cycle	<u>2,800</u>
Total Reduction	<u>(22,633)</u>

Lower Risk Agencies

- **We have identified 33 agencies that do not have mandatory audit requirements, are not material to the State's CAFR or Statewide Single Audit, and have lower risk.**
- **We propose auditing these agencies over a 3-year cycle.**
- **We are developing risk assessment tools to identify which agencies to include in the 2004 workplan.**

Total Hours by Function

Special Projects	11,339
Judicial Branch	240
Executive Departments	90,216
Independent Agencies	7,145
Cycled Agencies	2,800
Local Governments, Clerks, & Courts	<u>32,700</u>
TOTAL WORKPLAN	<u>144,440</u>

Hours by Executive Departments

Executive Offices and Administration	2,242
Commerce and Trade	2,575
Education (including Colleges and Universities)	42,004
Finance	19,127
Health and Human Services	11,798
Natural Resources	946
Public Safety	4,537
Technology	764
Transportation	<u>6,223</u>
Total Hours by Executive Departments	<u>90,216</u>

Special Projects

- **DMV – Cost Accounting System (2003 Appropriation Act)**
- **Statewide Review of Performance Measures**
(COV 30-133 B.)
- **E911 Report of Findings (COV 58.1-3813.1)**
- **Truth-in-Fees Report (COV 2.2-813.1)**
- **Public Broadcasting Comparative Report (2003 Appropriation Act)**
- **Virginia Distribution Center (2003 Appropriation Act)**
- **Council on Virginia's Future (HB 2097)**

Special Projects

- **Small Purchase Card Charge Program**
- **Use of Travel Cards**
- **Statewide Review of Agency-owned Vehicles**
- **Statewide Review of Capital Outlay**
- **Public Private Partnership Infrastructure and Education Act**
- **Self-insurance Funds**
- **Social and Medical Services Review**

Special Projects

- **Special Projects – Information Systems**
 - **eVA – monitor implementation and changes**
 - **Agency Compliance with State Security Standards**
 - **Penetration Testing**
 - **Network Security**
 - **Surplus computer equipment**
 - **Systems Development**
 - **DIT Service Bureau Review (SAS 70)**

Salary Scales

- **Adjustments reflect changes in the 2003 Appropriation Act**
- **Scales increase 2.25%**
- **Bonuses may also be given during the year to reward exceptional performance**
- **Raises may be given within the salary bands and will follow our compensation plan and budget**

Salary Scales

<u>Position</u>	Number of <u>Positions</u>		<u>Present Scale</u>	<u>Proposed Scale</u>
	<u>2003</u>	<u>2004</u>		
Deputy Auditor	1	1	\$71,190 - \$113,575	\$72,790 - \$116,130
Project Leader	16	14	54,500 - 111,700	55,725 - 114,125
Auditor	45	45	37,325 - 71,450	37,325 - 73,055
Staff ⁽¹⁾	<u>82</u>	<u>84</u>	22,457 - 47,250	22,960 - 48,315
Total	<u>144</u>	<u>144</u>		

⁽¹⁾ Staff positions for FY2004 include 74 audit staff and 10 audit support staff.

Requested Actions

- **Approval of the Workplan**
- **Approval of the Salary Scales**

Quality Control Review

- **Government Auditing Standards requires the APA undergo an external quality control year once every 3 years**
- **APA contracts with the National State Auditors Association to conduct the review**
- **Team of auditors spent one week reviewing our work**
- **Results – unqualified opinion and one comment to strengthen documentation**